

AMENDED IN ASSEMBLY JANUARY 11, 2006

AMENDED IN ASSEMBLY JANUARY 4, 2006

AMENDED IN ASSEMBLY APRIL 13, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 583

Introduced by Assembly Member Hancock

(Principal coauthor: Senator Simitian)

(Coauthors: Assembly Members Berg, Chan, Evans, Goldberg, Jones, Klehs, Laird, Leno, Lieber, Montanez, Mullin, Nation, and Pavley)

(Coauthors: Senators Alarcon, Bowen, Figueroa, Lowenthal, and Ortiz)

February 16, 2005

An act to *amend Section 8040 of the Elections Code, and to add Chapter 12 (commencing with Section 91015) to Title 9 of, and to repeal Section 85300 of, the Government Code, relating to the Political Reform Act of 1974, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 583, as amended, Hancock. Political Reform Act of 1974: California Clean Money and Fair Elections Act of 2005.

(1) *Existing law requires a county elections official to provide, upon request of a candidate, a declaration of candidacy, which is required to include specified information.*

This bill would additionally require the declaration of candidacy to include a statement of the amount of personal funds the candidate intends to use on his or her candidacy for the office. By requiring a

higher level of service of local entities, this bill would impose a state-mandated local program.

(2) Under existing law, the Political Reform Act of 1974, a public officer is prohibited from expending or accepting any public moneys for the purpose of seeking elective office.

This bill would repeal that provision and would enact the California Clean Money and Fair Elections Act of 2005, which would authorize eligible candidates, as defined, to obtain public funds according to specified procedures and requirements, provided that certain thresholds are attained. The bill would impose responsibility for the administration of the provisions of the bill on the Fair Political Practices Commission. This bill would appropriate \$3,000,000 each fiscal year from the fund created by the bill to the Fair Political Practices Commission for the purpose of administration of the act, as specified.

The bill would add contribution limits that, among other things, limit contributions to a candidate for statewide elective office who does not participate in Clean Money Fund funding.

~~(2)~~

(3) Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these penalties on persons who violate certain provisions of this bill.

~~(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

(4) *The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(5) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a ~~2/3~~ $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill, which would declare that it furthers the purposes of the act, would therefore require a ~~2/3~~ $\frac{2}{3}$ vote.

~~(5) This bill would declare that it is to take effect on January 1, 2007.~~

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 85300 of the Government Code is
2 repealed.

3 SEC. 2. Section 8040 of the Elections Code is amended to
4 read:

5 8040. (a) The declaration of candidacy by a candidate shall
6 be substantially as follows:

7
8 DECLARATION OF CANDIDACY
9

10 I hereby declare myself a ____ Party candidate for nomination to the office
11 of ____ District Number ____ to be voted for at the primary election to be
12 held

13 ____, 20__, and declare the following to be true:

14 My name is _____.

15 I want my name and occupational designation to appear on the ballot as
16 follows: _____.

17 Addresses:

18 Residence _____

19 _____

20 Business _____

21 _____

22 Mailing _____

23 _____

24 Telephone numbers: Day ____ Evening ____

25 Web site: _____

26 It is my intent to spend \$_____ of my personal funds on my candidacy
27 for this office.

1 I meet the statutory and constitutional qualifications for this office
2 (including, but not limited to, citizenship, residency, and party affiliation, if
3 required).

4 I am at present an incumbent of the following public office
5 (if any) _____.

6 If nominated, I will accept the nomination and not withdraw.

7 _____
8 Signature of candidate
9

10 State of California)
11 County of _____) ss.
12)
13

14 Subscribed and sworn to before me this ____ day of ____, 20__.

15 _____
16 Notary Public (or other official)

17 Examined and certified by me this ____ day of ____, 20__.

18 _____
19 County Elections Official

20 WARNING: Every person acting on behalf of a candidate is
21 guilty of a misdemeanor who deliberately fails to file at the
22 proper time and in the proper place any declaration of candidacy
23 in his or her possession which is entitled to be filed under the
24 provisions of the Elections Code Section 18202.

25 (b) A candidate for a judicial office may not be required to
26 state his or her residential address on the declaration of
27 candidacy. However, in cases where the candidate does not state
28 his or her residential address on the declaration of candidacy, the
29 elections official shall verify whether his or her address is within
30 the appropriate political subdivision and add the notation
31 “verified” where appropriate.

32 ~~SEC. 2.~~

33 SEC. 3. Chapter 12 (commencing with Section 91015) is
34 added to Title 9 of the Government Code, to read:

CHAPTER 12. CALIFORNIA CLEAN MONEY AND FAIR
ELECTIONS ACT OF 2005

Article 1. General

91015. This chapter shall be known and may be cited as the California Clean Money and Fair Elections Act of 2005.

91017. The people find and declare all of the following:

(a) The current campaign finance system burdens candidates with the incessant rigors of fundraising and thus decreases the time available to carry out their public responsibilities.

(b) The current campaign finance system diminishes the free speech rights of nonwealthy voters and candidates whose voices are drowned out by those who can afford to monopolize the arena of paid political communications.

(c) The current campaign finance system fuels the public perception of corruption at worst and conflict of interest at best and undermines public confidence in the democratic process and democratic institutions.

(d) The ever-increasing costs of political campaigns in competitive races force most candidates to raise larger and larger percentages of their campaign moneys from interest groups that have a specific financial stake in the outcome of the elections and in matters before our state government.

(e) Existing term limits place a greater demand on fundraising for the next election even for elected officials in safe seats.

(f) The rapidly increasing amounts of independent expenditures point to a growing trend of special interest groups to funnel funds through independent expenditure committees in an effort to skirt the contribution laws.

(g) The current campaign finance system undermines the First Amendment right of voters and candidates to be heard in the political process, undermines the First Amendment right of voters to hear all candidates' speech, and undermines the core First Amendment value of open and robust debate in the political process.

(h) Because of legislative reapportionment, most legislative campaigns are not competitive and thus candidates do not have to spend huge amounts of money to be elected. However, in competitive elections costs can exceed one million dollars

1 (\$1,000,000). This law is designed to address both situations by
2 providing smaller amounts of public funds in noncompetitive
3 races and much larger amounts in competitive contests. By doing
4 this, the California Clean Money and Fair Elections Act of 2005
5 saves the taxpayers of California from unnecessarily expending
6 large amounts of public moneys.

7 (i) In states where the clean money and clean election laws
8 have been enacted and used, election results show that more
9 individuals, especially women and minorities, run as candidates;
10 voter turnout increases and overall campaign costs decrease.

11 (j) The current campaign finance system creates a danger of
12 actual corruption by encouraging elected officials to take moneys
13 from private interests that are directly affected by governmental
14 actions.

15 91019. The people enact this chapter to accomplish the
16 following separate but related purposes:

17 (a) To reduce the influence of large contributions on the
18 decisions made by state government.

19 (b) To remove wealth as a major factor affecting whether an
20 individual chooses to become a candidate.

21 (c) To provide a greater diversity of candidates to participate
22 in the electoral process.

23 (d) To reverse the escalating cost of elections that have
24 increased far beyond the increases in the cost of living.

25 (e) To permit candidates to pursue policy issues instead of
26 being preoccupied with fundraising and allow officeholders more
27 time to carry out their official duties.

28 (f) To diminish the danger of actual corruption or the public
29 perception of corruption and strengthen public confidence in the
30 governmental and election processes.

31 (g) To ensure that independent expenditures are not used to
32 evade contribution limits.

33 91021. The people enact this chapter to further accomplish
34 the following separate but related purposes:

35 (a) It would foster more equal and meaningful participation in
36 the political process.

37 (b) It would provide candidates who participated in the
38 program with sufficient resources with which to communicate
39 with voters.

1 (c) It would increase the accountability of each elected official
2 to the constituents who elect him or her, as opposed to the
3 contributors who fund his or her campaigns.

4 (d) It would provide voters with timely information regarding
5 the sources of campaign contributions, expenditures, and political
6 advertising.

7
8 Article 2. Applicability to the Political Reform Act of 1974
9

10 91023. Unless specifically superseded by this act, the
11 definitions and provisions of the Political Reform Act of 1974
12 shall govern the interpretation of this chapter.
13

14 Article 3. Definitions
15

16 91025. (a) The contributions of an entity whose contributions
17 are directed and controlled by any individual shall be aggregated
18 with contributions made by that individual and any other entity
19 whose contributions are directed and controlled by the same
20 individual.

21 (b) If two or more entities make contributions that are directed
22 and controlled by a majority of the same persons, the
23 contributions of those entities shall be aggregated.

24 (c) Contributions made by entities that are majority-owned by
25 any person shall be aggregated with the contributions of the
26 majority owner and all other entities majority-owned by that
27 person, unless those entities act independently in their decisions
28 to make contributions.

29 91027. "Coordination" means a payment made for a
30 communication or anything of value that is for the purpose of
31 influencing the outcome of a state election and that is made:

32 (a) By a person in cooperation, consultation, or concert with,
33 at the request or suggestion of, or pursuant to a particular
34 understanding with a candidate, a candidate's controlled
35 committee, or an agent acting on behalf of a candidate or a
36 controlled committee.

37 (b) By a person for the dissemination, distribution, or
38 republication, in whole or in part, of any broadcast or any
39 written, graphic, or other form of campaign material prepared by

1 a candidate, a candidate's controlled committee, or an agent of a
2 candidate or a controlled committee.

3 (c) Based on specific information about the candidate's plans,
4 projects, or needs provided to the person making the payment by
5 the candidate or the candidate's agent who provides the
6 information with a view toward having the payment made.

7 (d) By a person if, in the same primary and general election in
8 which the payment is made, the person making the payment is
9 serving or has served as a member, employee, fundraiser, or
10 agent of the candidate's controlled committee in an executive or
11 policymaking position.

12 (e) By a person if the person making the payment has served
13 in any formal policy or advisory position with the candidate's
14 campaign or has participated in strategic or policymaking
15 discussions with the candidate's campaign relating to the
16 candidate's pursuit of nomination for election, or election, to a
17 state office, in the same primary and general election as the
18 primary and general election in which the payment is made.

19 (f) By a person if the person making the payment retains the
20 professional services of an individual or person who, in a
21 nonministerial capacity, has provided or is providing
22 campaign-related services in the same election to a candidate
23 who is pursuing the same nomination or election as any of the
24 candidates to whom the communication refers.

25 91029. "Entity" means any person other than an individual.

26 91031. "Excess expenditure amount" means the amount of
27 moneys spent or obligated to be spent by a nonparticipating
28 candidate in excess of the Clean Money amount available to a
29 participating candidate running for the same office. If a
30 participating candidate has made the choice specified in
31 subdivision (c) of Section 91097 in an election where there is
32 more than one participating candidate, then the Clean Money
33 amount available to the participating candidate shall be
34 considered to be the actual amount paid by the Clean Money
35 Fund to the candidate for that primary or general election period,
36 including any increase or decrease effected by the choice.

37 91033. "Exploratory period" means the period beginning 18
38 months before the primary election and ending on the last day of
39 the qualifying period. The exploratory period begins before, but
40 extends to the end of, the qualifying period.

1 91035. “General election campaign period” means the period
2 beginning the day after the primary election and ending on the
3 day of the general election.

4 91037. “Independent candidate” means a candidate who does
5 not represent a political party that has been granted ballot status
6 for the general election and who has qualified to be on the
7 general election ballot.

8 91039. “Independent electioneering expenditures” means any
9 expenditure of two thousand five hundred dollars (\$2,500) or
10 more made by a person, party committee, political committee or
11 political action committee, or any entity required to file reports
12 pursuant to Section 84605, during the 45 calendar days before a
13 primary or the 60 calendar days before a general election, which
14 expressly advocates the election or defeat of a clearly identified
15 candidate or names or depicts clearly identified candidates.

16 91041. “Majority-owned” means an ownership of 50 percent
17 or more.

18 91043. “Nonparticipating candidate” means a candidate who
19 is on the ballot but has chosen not to apply for Clean Money
20 campaign funding, a candidate who is on the ballot and has
21 applied but has not satisfied the requirements for receiving Clean
22 Money funding.

23 91045. “Office-qualified party” means a party whose
24 gubernatorial nominee has received 10 percent or more of the
25 votes at the last election or whose candidate for the same office
26 in the same district, whether statewide or legislative, as the
27 current candidate seeking Clean Money funding received 10
28 percent or more of the votes at the last election.

29 91046. “Office-qualified candidate” is a candidate seeking
30 nomination for a state office from an office-qualified party.

31 91047. “One party dominant legislative district” is a district
32 in which the number of registered voters for the party with the
33 highest number of registered voters exceeds the number of
34 registered voters for each of the other parties by an amount no
35 less than 20 percent of the total number of registered voters in the
36 district.

37 91049. “Participating candidate” means a candidate who
38 qualifies for Clean Money campaign funding. These candidates
39 are eligible to receive Clean Money funding during primary and
40 general election campaign periods.

1 91051. “Party candidate” means a candidate who represents a
2 political party that has been granted ballot status and holds a
3 primary election to choose its nominee for the general election.

4 91053. “Performance-qualified candidate” means a candidate
5 who has either won the primary nomination of an office-qualified
6 party or shown a broad base of support by gathering twice the
7 number of qualifying contributions as is required for an
8 office-qualified candidate. Independent candidates may qualify
9 for funding as performance-qualified candidates.

10 91055. “Petty cash” means cash amounts of one hundred
11 dollars (\$100) or less per day that are drawn on the Clean Money
12 Debit Card and used to pay expenses of no more than twenty-five
13 dollars (\$25) each.

14 91057. “Political party committee” means the state central
15 committee or county central committee of an organization that
16 meets the requirements for recognition as a political party
17 pursuant to Section 5100 of the Elections Code.

18 91059. “Primary election campaign period” means the period
19 beginning 120 days before the primary election and ending on
20 the day of the primary election.

21 91061. “Qualified candidate” means a candidate seeking
22 nomination for a state office from a party that is not an
23 office-qualified party.

24 91063. “Qualifying contribution” means a contribution of
25 five dollars (\$5) that is received during the designated qualifying
26 period by a candidate seeking to become eligible for Clean
27 Money campaign funding from a registered voter of the district
28 in which the candidate is running for office

29 91065. “Qualifying period” means the period during which
30 candidates are permitted to collect qualifying contributions in
31 order to qualify for Clean Money funding. It begins 270 days
32 before the primary election and ends 90 days before the day of
33 the primary election for qualified party candidates and begins any
34 time after January 1 of the election year and lasts 180 days but in
35 no event ending later than 90 days before the general election for
36 performance-qualified candidates who are running as
37 independent candidates.

38 91067. “Seed money contribution” means a contribution of
39 no more than one hundred dollars (\$100) made by a California
40 registered voter during the exploratory period.

1 91069. “Small contributor committee” means any committee
2 that meets all of the following criteria:

3 (a) The committee has been in existence for at least six
4 months.

5 (b) The committee has received contributions from 100 or
6 more persons.

7 (c) No one person has contributed to the committee more than
8 two hundred dollars (\$200) per calendar year.

9 (d) The committee makes contributions to five or more
10 candidates.

11 (e) The committee is not a candidate-controlled committee
12 pursuant to Section 82016.

13
14 Article 4. Clean Money
15

16 91071. (a) An office-qualified candidate qualifies as a
17 participating candidate for the primary election campaign period
18 if the following requirements are met:

19 (1) The candidate files a declaration with the commission that
20 the candidate has complied and will comply with all of the
21 requirements of this act, including the requirement that during
22 the exploratory period and the qualifying period the candidate not
23 accept or spend private contributions from any source other than
24 seed money contributions, Clean Money funds, and political
25 party funds as specified in Section 91123.

26 (2) The candidate meets the following qualifying contribution
27 requirements before the close of the qualifying period:

28 (A) The office-qualified party candidate collects at least the
29 following number of qualifying contributions:

30 (i) Five hundred qualifying contributions for a candidate
31 running for the office of Member of the Assembly.

32 (ii) One thousand qualifying contributions for a candidate
33 running for the office of Member of the State Senate.

34 (iii) One thousand five hundred qualifying contributions for a
35 candidate running for the office of member of the State Board of
36 Equalization.

37 (iv) Seven thousand five hundred qualifying contributions for
38 a candidate running for any statewide office other than Governor.

39 (v) Twenty-five thousand qualifying contributions for a
40 candidate running for the office of Governor.

1 (B) No registered voter shall provide more than one qualifying
2 contribution for each office for which he or she is eligible to
3 vote.

4 (C) Each qualifying contribution shall be acknowledged by a
5 receipt to the contributor, with a copy submitted to the
6 commission by the candidate. The receipt shall include the
7 contributor's signature, printed name, and home address, the
8 date, and the name of the candidate on whose behalf the
9 contribution is made. In addition, the receipt shall indicate by the
10 contributor's signature that the contributor understands that he or
11 she may contribute a qualifying contribution to only one
12 candidate for each office for which the contributor is eligible to
13 vote, that the purpose of the qualifying contribution is to help the
14 candidate qualify for Clean Money campaign funding, and that
15 the contribution is made without coercion or reimbursement.

16 (D) A contribution submitted as a qualifying contribution that
17 does not include a signed and fully completed receipt shall not be
18 counted as a qualifying contribution.

19 (E) All five-dollar (\$5) qualifying contributions, whether in
20 the form of cash, check, or money order made out to the
21 candidate's campaign account, shall be deposited by the
22 candidate in the candidate's campaign account.

23 (F) All qualifying contributions' signed receipts shall be sent
24 to the commission and shall be accompanied by a check from the
25 candidate's campaign account for the total amount of qualifying
26 contribution moneys received for deposit in the Clean Money
27 Fund. This submission shall be accompanied by a signed
28 statement from the candidate indicating that all of the
29 information on the qualifying contribution receipts is complete
30 and accurate to the best of the candidate's knowledge and that the
31 amount of the enclosed check is equal to the sum of all of the
32 five-dollar (\$5) qualifying contributions the candidate has
33 received.

34 (b) A party-qualified candidate qualifies as a participating
35 candidate for the general election campaign period if both of the
36 following requirements are met:

37 (1) The candidate met all of the applicable requirements and
38 filed a declaration with the commission that the candidate has
39 fulfilled and will fulfill all of the requirements of a participating
40 candidate as stated in this act.

(2) As a participating candidate from an office-qualified party during the primary election campaign period, the candidate had the highest number of votes of the candidates contesting the primary election from the candidate's respective party and, therefore, won the party's nomination.

91073. A qualified candidate shall collect at least one half of the number of signatures as required for an office-qualified candidate for the same office and may show a greater base of support by collecting double the amount of signatures as required for an office-qualified candidate to become a performance-qualified candidate. The candidate shall also file a declaration with the commission that the candidate has complied and will comply with all of the requirements of this act. For a candidate who does not run in a primary, the qualifying period begins any time after January 1 of the election year and lasts 180 days, except that it shall end no later than 90 days before the general election. A candidate who is not an office-qualified candidate shall notify the commission within 24 hours of the day when the candidate has begun collecting qualifying contributions.

91075. During the first election that occurs after the effective date of this act, a candidate may be certified as a participating candidate, notwithstanding the acceptance of contributions or making of expenditures from private funds before the date of enactment that would, absent this section, disqualify the candidate as a participating candidate, provided that any private funds accepted but not expended before the effective date of this act meet any of the following criteria:

- (a) Are returned to the contributor.
- (b) Are held in a special campaign account and used only for retiring a debt from a previous campaign.
- (c) Are submitted to the commission for deposit in the Clean Money Fund.

91077. A participating candidate who accepts any benefits during the primary election campaign period shall comply with all of the requirements of this act through the general election campaign period whether the candidate continues to accept benefits or not.

91079. (a) During the primary and general election campaign periods, a participating candidate who has voluntarily agreed to

1 participate in, and has become eligible for, Clean Money
2 benefits, shall not accept private contributions from any source
3 other than the candidate's political party as specified in Section
4 91123.

5 (b) During the qualifying period and the primary and general
6 election campaign periods, a participating candidate who has
7 voluntarily agreed to participate in, and has become eligible for,
8 Clean Money benefits shall not solicit or receive political
9 contributions for any other candidate or for any political party or
10 other political committee.

11 (c) No person shall make a contribution in the name of another
12 person. A participating candidate who receives a qualifying
13 contribution or a seed money contribution that is not from the
14 person listed on the receipt required by subparagraph (D) of
15 paragraph (2) of subdivision (a) of Section 91071 shall be liable
16 to pay the commission the entire amount of the inaccurately
17 identified contribution, in addition to any penalties.

18 (d) During the primary and general election campaign periods,
19 a participating candidate shall pay for all of the candidate's
20 campaign expenditures, except petty cash expenditures, by means
21 of a "Clean Money Debit Card" issued by the commission, as
22 authorized under Section 91137.

23 (e) Eligible candidates shall furnish complete campaign
24 records, including all records of seed money contributions and
25 qualifying contributions, to the commission at regular filing
26 times. Candidates shall cooperate with any audit or examination
27 by the commission, the Franchise Tax Board, or any enforcement
28 agency.

29 91081. (a) During an election, each participating candidate
30 shall conduct all campaign financial activities through a single
31 campaign account.

32 (b) Notwithstanding Section 85201, a participating candidate
33 may maintain a campaign account other than the campaign
34 account described in subdivision (a) if the other campaign
35 account is for the purpose of retiring a campaign debt that was
36 incurred during a previous election campaign in which the
37 candidate was not a participating candidate.

38 (c) Contributions for the purposes of retiring a previous
39 campaign debt that are deposited in the "other campaign
40 account" described in subdivision (b) shall not be considered

1 “contributions” to the candidate’s current campaign. Those
2 contributions shall only be raised during the six-month period
3 following the date of the election.

4 (d) Participating candidates shall file reports of financial
5 activity related to the current election cycle separately from
6 reports of financial activity related to previous election cycles.

7 91083. (a) Participating candidates shall use their Clean
8 Money funds only for direct campaign purposes.

9 (b) A participating candidate shall not use Clean Money funds
10 for any of the following:

11 (1) Costs of legal defense in any campaign law enforcement
12 proceeding under this act.

13 (2) Indirect campaign purposes, including, but not limited to,
14 the following:

15 (A) The candidate’s personal support or compensation to the
16 candidate or the candidate’s family.

17 (B) The candidate’s personal appearance.

18 (C) Capital assets having a value in excess of five hundred
19 dollars (\$500) and useful life extending beyond the end of the
20 current election period determined in accordance with generally
21 accepted accounting principles.

22 (D) A contribution or loan to the campaign committee of
23 another candidate or to a party committee or other political
24 committee.

25 (E) An independent expenditure.

26 (F) A gift in excess of twenty-five dollars (\$25) per person.

27 (G) Any payment or transfer for which compensating value is
28 not received.

29 91085. (a) Personal funds contributed as seed money by a
30 candidate seeking to become eligible as a participating candidate
31 or by adult members of the candidate’s family shall not exceed
32 the maximum of one hundred dollars (\$100) per contributor.

33 (b) Personal funds shall not be used to meet the qualifying
34 contribution requirement except for one five-dollar (\$5)
35 contribution from the candidate and one five-dollar (\$5)
36 contribution from the candidate’s spouse.

37 91087. (a) The only private contributions a candidate seeking
38 to become eligible for Clean Money funding shall accept, other
39 than qualifying contributions and limited contributions from the
40 candidate’s political party as specified in Section 91123, are seed

1 money contributions contributed by duly registered voters in the
2 district in which the candidate is running for election prior to the
3 end of the qualifying period.

4 (b) A seed money contribution shall not exceed one hundred
5 dollars (\$100) per donor, and the aggregate amount of seed
6 money contributions accepted by a candidate seeking to become
7 eligible for Clean Money funding shall not exceed:

8 (1) Ten thousand dollars (\$10,000) for a candidate running for
9 the office of Member of the Assembly.

10 (2) Twenty thousand dollars (\$20,000) for a candidate running
11 for the office of Member of the State Senate.

12 (3) Thirty thousand dollars (\$30,000) for a candidate running
13 for the office of member of the State Board of Equalization.

14 (4) Seventy-five thousand dollars (\$75,000) for a candidate
15 running for a statewide office other than Governor.

16 (5) Two hundred fifty thousand dollars (\$250,000) for a
17 candidate running for the office of Governor.

18 (c) Receipts for seed money contributions under twenty-five
19 dollars (\$25) shall include the contributor's signature, printed
20 name, street address, and ZIP Code. Receipts for seed money
21 contributions of twenty-five dollars (\$25) or more shall also
22 include the contributor's occupation and name of employer.
23 Contributions shall not be retained if the required disclosure
24 information is not received.

25 (d) Seed money shall be spent only during the exploratory and
26 qualifying periods. Seed money shall not be spent during the
27 primary or general election campaign periods. Any unspent seed
28 money shall be turned over to the commission for deposit in the
29 Clean Money Fund.

30 (e) Within 72 hours after the close of the qualifying period,
31 candidates seeking to become eligible for Clean Money funding
32 shall do both of the following:

33 (1) Fully disclose all seed money contributions and
34 expenditures to the commission.

35 (2) Turn over to the commission for deposit in the Clean
36 Money Fund any seed money the candidate has raised during the
37 exploratory period that exceeds the aggregate seed money limit.

38 91091. Participating candidates in contested races shall agree
39 to participate in at least one public debate during a contested

1 primary election and two debates during a contested general
2 election.

3 91093. (a) No more than five days after a candidate applies
4 for Clean Money benefits, the commission shall certify that the
5 candidate is or is not eligible. Eligibility may be revoked if the
6 candidate violates the requirements of this act, in which case all
7 Clean Money funds shall be repaid.

8 (b) The candidate's request for certification shall be signed by
9 the candidate and the candidate's campaign treasurer under
10 penalty of perjury.

11 (c) The commission's determination is final except that it is
12 subject to a prompt judicial review.

13
14 Article 5. Clean Money Benefits
15

16 91095. (a) Candidates who qualify for Clean Money funding
17 for primary and general elections shall:

18 (1) Receive Clean Money funding from the commission for
19 each election, the amount of which is specified in Section 91099.
20 This funding may be used to finance any and all campaign
21 expenses during the particular campaign period for which it was
22 allocated.

23 (2) If an office-qualified candidate or a performance-qualified
24 candidate showing a broad base of support, receive additional
25 Clean Money funding to match any excess expenditure amount
26 spent by a nonparticipating candidate, as disclosed pursuant to
27 Section 91107.

28 (3) If an office-qualified candidate or a performance-qualified
29 candidate showing a broad base of support, receive additional
30 Clean Money funding to match any independent expenditure or
31 independent electioneering expenditure made in opposition to
32 their candidacies or in support of their opponents' candidacies, as
33 disclosed pursuant to Section 91109, provided that the dollar
34 value of the independent expenditure or independent
35 electioneering expenditure, combined with the amount raised or
36 received thus far by any opposing candidate who benefits from
37 the independent expenditure or independent electioneering
38 expenditure, exceeds the original Clean Money funding amount
39 received by the participating candidate.

(b) The maximum aggregate amount of funding a participating office-qualified candidate or a performance-qualified candidate showing a broad base of support shall receive to match independent expenditures and excess expenditures of nonparticipating candidates shall be no more than five times the original amount of Clean Money funding allocated to a participating candidate for a particular primary or general election campaign period.

(c) A qualified candidate shall be entitled to raise additional private funds, subject to the contribution limitations imposed on nonparticipating candidates, in an amount not to exceed what an office-qualified candidate or a performance-qualified candidate for the same office is entitled to receive in Clean Money funding as set forth in subdivisions (a) and (b).

91097. (a) An eligible qualified or office-qualified candidate shall receive the candidate's Clean Money funding for the primary election campaign period on the date on which the commission certifies the candidate as a participating candidate. This certification shall take place no later than five days after the candidate has submitted the required number of qualifying contribution receipts, a check for the total amount of qualifying contributions collected, and a declaration stating that the candidate has complied with all other requirements for eligibility as a participating candidate, but no earlier than the beginning of the primary election campaign period.

(b) An eligible qualified or performance-qualified candidate shall receive the candidate's Clean Money funding for the general election campaign period within two business days after certification of the primary election results.

(c) A participating candidate for Legislature running in the primary of the dominant party in a one-party dominant district may choose to reallocate a portion of the Clean Money funding amount from the general election period to the primary period. The candidate shall make this choice in a writing submitted to the commission with the materials specified in subdivision (a) at the close of the qualifying period. The participating candidate who makes such a choice shall receive an additional amount equal to 50 percent of the amount specified for the general election for the appropriate office as set forth in subdivision (b) of Section 91099. The amount a participating candidate who makes such a

1 choice shall receive at the beginning of the general election
2 period shall be reduced by 50 percent. The choice may also affect
3 the amount at which an opposing candidate may be considered to
4 have exceeded the amount of Clean Money funding available to
5 the participating candidate. If a competing participating
6 candidate transfers funds pursuant to this subdivision from the
7 general to the primary election by the close of the qualifying
8 period, any other participating candidate in the same election
9 may transfer the same amount of funds from the general to the
10 primary election by notifying the commission in writing within
11 five days of the close of the qualifying period.

12 91099. (a) For eligible candidates in a primary election:

13 (1) The amount of Clean Money funding for an eligible
14 office-qualified party candidate in a primary, special, or special
15 runoff election or for an eligible performance-qualified candidate
16 in a special or special runoff election is:

17 (A) One hundred thousand dollars (\$100,000) for a candidate
18 running for the office of Member of the Assembly.

19 (B) Two hundred thousand dollars (\$200,000) for a candidate
20 running for the office of Member of the State Senate.

21 (C) Two hundred fifty thousand dollars (\$250,000) for a
22 candidate running for the office of member of the State Board of
23 Equalization.

24 (D) One million dollars (\$1,000,000) for a candidate running
25 for a statewide office other than Governor or Attorney General.

26 (E) One million five hundred thousand dollars (\$1,500,000)
27 for a candidate running for Attorney General.

28 (F) Six million dollars (\$6,000,000) for a candidate running
29 for Governor.

30 (2) The amount of Clean Money funding for an eligible
31 performance-qualified candidate in a primary election is 20
32 percent of the amount an office-qualified party candidate running
33 for the same office could receive. The amount of Clean Money
34 Funding for an eligible performance-qualified candidate in a
35 special or special runoff election is equal to the amount an
36 office-qualified candidate running for the same office would
37 receive.

38 (3) The Clean Money funding amount for an eligible candidate
39 in a primary election where no other candidates are running in

1 any party primary for that seat is 10 percent of the amount
2 provided in a contested primary election.

3 (b) For eligible candidates in a general election:

4 (1) The amount of Clean Money funding for an eligible
5 performance-qualified candidate in a contested general election
6 is:

7 (A) One hundred fifty thousand dollars (\$150,000) for a
8 candidate running for the office of Member of the Assembly.

9 (B) Three hundred thousand dollars (\$300,000) for a candidate
10 running for the office of Member of the State Senate.

11 (C) Five hundred thousand dollars (\$500,000) for a candidate
12 running for the office of member of the State Board of
13 Equalization.

14 (D) Two million dollars (\$2,000,000) for a candidate running
15 for a statewide office other than Governor or Attorney General.

16 (E) Three million dollars (\$3,000,000) for a candidate running
17 for Attorney General.

18 (F) Ten million dollars (\$10,000,000) for a candidate running
19 for Governor.

20 (2) The amount of Clean Money funding for an eligible
21 qualified candidate in a contested general election is 25 percent
22 of the amount a performance-qualified candidate running for the
23 same office could receive.

24
25 Article 6. Restrictions on Nonparticipating Candidates,
26 Political Parties, and Independent Expenditure Committees
27

28 91101. (a) A person, other than a small contributor
29 committee or political party committee, shall not make to any
30 nonparticipating candidate, and a nonparticipating candidate shall
31 not accept from a person other than a small contributor
32 committee or a political party committee, any contribution
33 totaling more than five thousand dollars (\$5,000) per election.

34 (b) The provisions of this section do not apply to a
35 nonparticipating candidate's contributions of personal funds to
36 the candidate's own campaign.

37 91103. A small contributor committee shall not make to any
38 nonparticipating candidate, and a nonparticipating candidate shall
39 not accept from a small contributor committee, any contribution
40 totaling more than ten thousand dollars (\$10,000) per election.

1 91105. (a) A person shall not make to any committee,
2 including an independent expenditure committee, and a
3 committee shall not accept from a person, contributions totaling
4 more than one thousand dollars (\$1,000).

5 (b) A person shall not make in the aggregate to political party
6 committees of the same political party, and a political party
7 committee shall not accept from a person, contributions totaling
8 more than five thousand dollars (\$5,000) per calendar year.

9 (c) Nothing in this chapter limits a candidate from transferring
10 contributions received by the candidate in excess of any amount
11 necessary to defray the candidate's expenses for election-related
12 activities or holding office to a political party committee,
13 provided those transferred contributions are used for purposes
14 consistent with paragraph (4) of subdivision (b) of Section
15 89519.

16 17 Article 7. Disclosure Requirements

18
19 91107. (a) If a nonparticipating candidate's total
20 expenditures or promises to make campaign expenditures exceed
21 the amount of Clean Money funding allocated to the candidate's
22 Clean Money opponent or opponents, the candidate shall declare
23 every excess expenditure amount which, in the aggregate, is
24 more than five thousand dollars (\$5,000) to the commission
25 online or electronically within 24 hours of the time the
26 expenditure or promise is made, whichever occurs first.

27 (b) The commission may make its own determination as to
28 whether excess expenditures have been made by nonparticipating
29 candidates.

30 (c) Upon receiving an excess expenditure declaration or
31 determining that an excess expenditure has been made, the
32 commission shall immediately release additional Clean Money
33 funding to the opposing participating performance-qualified and
34 office-qualified candidates. The amount released shall be equal to
35 the excess expenditure amount the nonparticipating candidate has
36 spent or has obligated to spend. The maximum aggregate amount
37 of additional funding a participating candidate receives to match
38 the total of independent expenditures and the excess expenditures
39 of nonparticipating candidates is no more than an additional 500

1 percent of the participating candidate's actual initial Clean
2 Money funding allocation for the relevant office.

3 91109. (a) In addition to any other report required by this
4 chapter, a committee, including a political party committee, that
5 is required to file reports pursuant to Section 84605 and that
6 makes independent expenditures of one thousand dollars
7 (\$1,000) or more during an election cycle in connection with a
8 candidate, shall file online or electronically a report with the
9 commission disclosing the making of the independent
10 expenditure. This report shall disclose the same information
11 required by subdivision (b) of Section 84204 and shall be filed
12 within 24 hours of the time the independent expenditure is made.

13 (b) The report to the commission shall include a signed
14 statement under penalty of perjury by the person or persons
15 making the independent expenditure identifying the candidate or
16 candidates whom the independent expenditure is intended to help
17 elect or defeat and affirming that the expenditure is independent
18 and whether it is coordinated with a candidate or a political party.

19 (c) Any individual or organization that fails to file the required
20 report to the commission or provides materially false information
21 in a report filed pursuant to subdivision (a) or (b) may be fined
22 up to three times the amount of the independent expenditure, in
23 addition to any other remedies provided by this act.

24 (d) Upon receiving a report that an independent expenditure
25 has been made or obligated to be made, the commission shall
26 immediately release additional Clean Money funding, equal in
27 amount to the cost of the independent expenditure, to all
28 participating candidates whom the independent expenditure is
29 intended to oppose or defeat in that specific primary or general
30 election, provided that:

31 (1) The dollar value of the independent expenditure, combined
32 with the amount raised or received thus far by any opposing
33 candidate who benefits from the independent expenditure,
34 exceeds the original actual Clean Money funding amount
35 received by the participating candidate.

36 (2) The maximum aggregate amount of additional funding a
37 participating candidate receives to match the total of independent
38 expenditures and the excess expenditures of nonparticipating
39 candidates is no more than an additional 500 percent of the
40 participating candidate's initial Clean Money funding allocation.

1 (e) A controlled committee of a candidate shall not make
2 independent expenditures and shall not contribute funds to
3 another expenditures to support or oppose other candidates.

4 91111. (a) In addition to any other report required by this
5 chapter, a committee, including a political party committee, that
6 is required to file reports pursuant to Section 84605 and that
7 makes independent electioneering expenditures of one thousand
8 dollars (\$1,000) or more during an election cycle in connection
9 with a candidate, shall file online or electronically a report with
10 the commission disclosing the making of the independent
11 electioneering expenditure. This report shall disclose the same
12 information required by subdivision (b) of Section 84204 and
13 shall be filed within 24 hours of the time the independent
14 expenditure is made.

15 (b) The report to the commission shall include a signed
16 statement under penalty of perjury by the person or persons
17 making the independent electioneering expenditure identifying
18 the candidate or candidates whom the independent electioneering
19 expenditure is intended to help elect or defeat and affirming that
20 the expenditure is independent and whether it is coordinated with
21 a candidate or a political party.

22 (c) Any individual or organization that fails to file the required
23 report to the commission or provides materially false information
24 in a report filed pursuant to subdivision (a) or (b) may be fined
25 up to three times the amount of the independent electioneering
26 expenditure, in addition to any other remedies provided by this
27 act.

28 (d) Upon receiving a report that an independent electioneering
29 expenditure has been made or obligated to be made, the
30 commission shall immediately release additional Clean Money
31 funding, equal in amount to the cost of the independent
32 electioneering expenditure, to all participating candidates whom
33 the independent electioneering expenditure is intended to oppose
34 or defeat in that specific primary or general election, provided
35 that:

36 (1) The dollar value of the independent electioneering
37 expenditure, combined with the amount raised or received thus
38 far by any opposing candidate who benefits from the independent
39 electioneering expenditure, exceeds the original actual Clean
40 Money funding amount received by the participating candidate.

(2) The maximum aggregate amount of additional funding a participating candidate receives to match the total of independent electioneering expenditures and the excess expenditures of nonparticipating candidates is no more than an additional 500 percent of the participating candidate's initial Clean Money funding allocation.

91113. All broadcast and print advertisements placed by candidates or their committees shall include a clear written or spoken statement indicating that the candidate has approved of the contents of the advertisement.

Article 8. Legal Defense, Officeholder, and Inaugural Funds

91115. (a) A candidate or elected state officer may establish a separate account to defray attorney's fees and other related legal costs incurred for the candidate's or elected state officer's legal defense if the candidate or elected state officer is subject to one or more civil or criminal proceedings or administrative proceedings arising directly out of the conduct of an election campaign, the electoral process, or the performance of the elected state officer's governmental activities and duties. These funds may be used only to defray those attorney's fees and other related legal costs.

(b) An elected state officer may establish a separate account to defray officeholder expenses that are set forth by the commission. No funds from this account shall be used for a mass mailing. No elected state officer accounts shall exceed fifty thousand dollars (\$50,000) at any time.

(c) A Governor, Lieutenant Governor, or other statewide officer may establish an inaugural account to cover the cost of events, celebrations, gatherings, and communications that take place as part of, or in honor of, the officer's inauguration.

(d) A candidate or elected state officer may receive contributions of up to five hundred dollars (\$500) per person per year in the aggregate for accounts in subdivisions (a), (b), and (c). All contributions, whether cash or in-kind, shall be reported in a manner prescribed by the commission. Contributions to such funds shall not be considered campaign contributions.

(e) An elected state officer or legal defense account shall not solicit or accept a contribution from a registered state lobbyist or

1 lobbyist employer if the lobbyist or lobbyist employer finances,
2 engages, or is authorized to engage in lobbying the government
3 agency of the officer.

4 (f) Once the legal dispute is resolved or the elected state
5 officer leaves office, the candidate shall dispose of any funds
6 remaining after all expenses associated with the dispute are
7 discharged or after the elected state officer leaves office, for one
8 or more of the purposes set forth in paragraphs (1) to (5),
9 inclusive, of subdivision (b) of Section 89519.

10
11 Article 9. Restrictions on Candidates
12

13 91117. A candidate or any committee controlled by the
14 candidate shall not receive any contributions prior to the
15 beginning of the exploratory period.

16 91119. A nonparticipating candidate may transfer campaign
17 funds from one controlled committee to a controlled committee
18 for elective state office of the same nonparticipating candidate.
19 Contributions transferred shall be attributed to specific
20 contributors using a “last in, first out” or “first in, first out”
21 accounting method, and these attributed contributions when
22 aggregated with all other contributions from the same contributor
23 shall not exceed the limits set forth in Section 91103 or 91105.

24 91121. A nonparticipating candidate may accept a
25 contribution after the date of the election only to the extent that
26 the contribution does not exceed net debts outstanding from the
27 election and the contribution does not otherwise exceed the
28 applicable contribution limit for that election. All debts shall be
29 repaid or written off no later than 90 days after the general
30 election.

31 91123. Candidates may accept monetary or in-kind
32 contributions from political parties provided that the aggregate
33 amount of such contributions from all political party committees
34 combined does not exceed the equivalent of 5 percent of the
35 original Clean Money financing allotment for that office for that
36 election. Such expenditures shall not count against the moneys
37 spent by Clean Money candidates.

38 91125. Notwithstanding paragraph (1) of subdivision (b) of
39 Section 82030, a contribution of five hundred dollars (\$500) or

1 more received by a candidate shall be considered income subject
2 to the disqualification provisions of this act.

3
4 Article 10. Ballot Pamphlet Statements
5

6 91127. The Secretary of State shall designate in the state
7 ballot pamphlet and on any Internet Web site listing of
8 candidates maintained by any government agency including, but
9 not limited, to the Secretary of State those candidates who have
10 voluntarily agreed to be participating candidates.

11 91131. (a) A candidate who is a participating candidate may
12 place a statement in the state ballot pamphlet that does not
13 exceed 250 words. The statement shall not make any reference to
14 any opponent of the candidate. The candidate may also provide a
15 list of up to 10 endorsers for placement in the ballot pamphlet.
16 This statement and list of endorsers shall be submitted in
17 accordance with timeframes and procedures set forth by the
18 Secretary of State for the preparation of the state ballot
19 pamphlets.

20 (b) A nonparticipating candidate may pay to place a statement
21 in the appropriate ballot pamphlet or voter information portion of
22 the sample ballot that does not exceed 250 words, and may pay to
23 place a list of up to 10 endorsers in the ballot pamphlet. The
24 statement shall not make any reference to any opponent of the
25 candidate. This statement and list of endorsers shall be submitted
26 in accordance with timeframes and procedures set forth by the
27 Secretary of State for the preparation of the state ballot
28 pamphlets. The nonparticipating candidate shall be charged the
29 pro rata cost of printing, handling, translating, and mailing any
30 campaign statement and list of endorsers provided pursuant to
31 this subdivision.

32
33 Article 11. Appropriations for the Clean Money Fund
34

35 91133. (a) A special, dedicated, nonlapsing Clean Money
36 Fund is created in the State Treasury, and notwithstanding
37 Section 13340, is continuously appropriated each fiscal year
38 beginning in 2006 to the commission an amount equal to
39 one-eighth cent (\$0.00125) a month times the number of

1 California residents 18 years or older. The Clean Money Fund is
2 established for the following purposes:

3 (1) Providing public financing for the election campaigns of
4 certified participating candidates during primary and general
5 campaign periods.

6 (2) Paying for the administrative and enforcement costs of the
7 commission related to this act. The commission shall annually be
8 appropriated at least three million dollars (\$3,000,000), plus cost
9 of living, to administer this act.

10 (b) The appropriation shall first be made by the Legislature in
11 the 2006–07 fiscal year and in each subsequent fiscal year.

12 91135. Other sources of revenue to be deposited in the Clean
13 Money Fund shall include all of the following:

14 (a) The qualifying contributions required of candidates
15 seeking to become certified as participating candidates and
16 candidates' excess qualifying contributions.

17 (b) The excess seed money contributions of candidates seeking
18 to become certified as participating candidates.

19 (c) Unspent funds distributed to any participating candidate
20 who does not remain a candidate until the primary or general
21 election for which they were distributed, or funds that remain
22 unspent by a participating candidate following the date of the
23 primary or general election for which they were distributed.

24 (d) Fines levied by the commission against Secretary of State
25 candidates for violation of election laws.

26 (e) Voluntary donations made directly to the Clean Money
27 Fund.

28 (f) Other funds appropriated by the Legislature.

29 (g) Any interest generated by the Clean Money Fund.

30 (h) Any other sources of revenue from the General Fund or
31 from other sources as determined by the Legislature.

32 91136. The amount of moneys in the Clean Money Fund shall
33 not exceed four times the maximum annual contribution
34 specified in subdivision (a) of Section 91133. Any moneys that,
35 if deposited in the Clean Money Fund, would cause the balance
36 in that fund to exceed this limit shall be irrevocably transferred to
37 the General Fund.

Article 12. Administration

91137. (a) Upon a determination that a candidate has met all the requirements for becoming a participating candidate as provided for in this act, the commission shall issue to the candidate a card, known as the “Clean Money Debit Card,” and a “line of debit” entitling the candidates and members of the candidate’s staff to draw Clean Money funds from a commission account to pay for all campaign costs and expenses up to the amount of Clean Money funding the candidate has received.

(b) Neither a participating candidate nor any other person on behalf of a participating candidate shall pay campaign costs by cash, check, money order, loan, or by any other financial means other than the Clean Money Debit Card.

(c) Cash amounts of one hundred dollars (\$100) or less per day may be drawn on the Clean Money Debit Card and used to pay expenses of no more than twenty-five dollars (\$25) each. Records of all such expenditures shall be maintained and reported to the commission.

91139. If the commission determines that there are insufficient funds in the program to fund adequately all candidates eligible for Clean Money funds, the commission shall reduce the grants proportionately to all eligible candidates. If the commission notifies a candidate that the Clean Money funds will be reduced and the candidate has not received any Clean Money funds, the candidate may decide to be a nonparticipating candidate. If a candidate has already received Clean Money funds or wishes to start receiving such funds, a candidate who wishes to collect contributions may do so in amounts up to the contribution limits provided for nonparticipating candidates but shall not collect more than the total of Clean Money funds that the candidate was entitled to receive had there been sufficient funds in the program less the amount of Clean Money funds that will be or have been provided. If, at a later point, the commission determines that adequate funds have become available, candidates, who have not raised private funds, shall receive the funds owed to them.

Article 13. Enforcement

1 91141. (a) If a participating candidate spends or obligates to
2 spend more than the Clean Money funding the candidate is given,
3 and if it is determined by the commission, subject to court
4 review, not to be an amount that had or could have been expected
5 to have a significant impact on the outcome of the election, then
6 the candidate shall repay to the Clean Money Fund an amount
7 equal to the excess.

8 (b) If a participating candidate spends or obligates to spend
9 more than the Clean Money funding the candidate is given, and if
10 that excess amount is determined by the commission, subject to
11 court review, to be an amount that had or could have been
12 expected to have a significant impact on the outcome of the
13 election, then the candidate shall repay to the Clean Money Fund
14 an amount up to 10 times the value of the excess.

15 (c) In addition to the remedies set forth in subdivisions (a) and
16 (b), if a participating candidate spends or obligates to spend more
17 than 110 percent of the candidate's Clean Money funding, he or
18 she shall be disqualified as a candidate, and, if
19 contemporaneously in elective office, shall forfeit that office.
20 Such a candidate shall be prohibited from running for reelection
21 or for any elective office for which the election is to be held less
22 than four years following end of the month of the election
23 relating to which the violation occurred.

24 91143. It is unlawful for candidates to knowingly accept
25 more benefits than those to which they are entitled, spend more
26 than the amount of Clean Money funding they have received, or
27 misuse such benefits or Clean Money funding.

28 ~~(a) If it is determined that the violation was intentional and~~
29 ~~involved an amount that had or could have been expected to have~~
30 ~~a significant impact on the outcome of the election, the candidate~~
31 ~~may be fined up to twenty-five thousand dollars (\$25,000), or~~
32 ~~imprisoned for up to five years, or both.~~

33 ~~(b) Any person who is found criminally guilty of any violation~~
34 ~~of this act shall be sentenced to at least one day and one night in~~
35 ~~jail.~~

36 91145. Any person who knowingly or willfully violates any
37 provision of this chapter is guilty of a misdemeanor. Any person
38 who knowingly or willfully causes any other person to violate
39 any provision of this chapter, or who aids and abets any other

1 person in the violation of any provision of this chapter shall be
2 liable under this section.

3 91147. Prosecution for a violation of any provision of this
4 chapter shall be commenced within four years after the date on
5 which the violation occurred.

6 91149. No person convicted of a misdemeanor under this
7 chapter shall act as a lobbyist or state contractor, or run for
8 elective office, for a period of four years following the date of
9 conviction unless the court at the time of sentencing specifically
10 determines that this provision shall not be applicable.

11
12 Article 14. Cost of Living
13

14 91153. The commission shall adjust the contribution
15 limitations, voluntary spending limits, seed money provisions,
16 and the Clean Money Fund provisions in January of every
17 odd-numbered year to reflect any increase or decrease in the
18 Consumer Price Index and the increase in registered voters.
19 Those adjustments shall be rounded to the nearest ten dollars
20 (\$10) for the seed money provisions, one hundred dollars (\$100)
21 for the limitations on contributions, and one thousand dollars
22 (\$1,000) for the Clean Money provisions.

23 91157. On or before December 6 of each year ending in one,
24 the commission shall prepare and provide to each Member of the
25 Legislature and to the standing committees in the Assembly and
26 the Senate with jurisdiction over elections a report containing a
27 review and analysis of the functioning of the Clean Money Fund
28 and the commission's recommendations as to whether additional
29 adjustments, beyond those specified in Section 91153 should be
30 made to the voluntary spending limits, seed money provisions,
31 and Clean Money Fund provisions of this chapter, and suggesting
32 other changes that are advisable to further the purposes of this
33 act. The commission's recommendations shall be based upon an
34 analysis of the disclosures of campaign contributions and
35 expenditures made by nonparticipating candidates in the
36 preceding decade and other campaign financing information
37 available, and this analysis shall be set forth in detail in the
38 report.

39 ~~SEC. 3. No reimbursement is required by this act pursuant to~~
40 ~~Section 6 of Article XIII B of the California Constitution because~~

~~the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.~~

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

~~SEC. 4.~~

SEC. 5. The provisions of Section 81012 of the Government Code, which allow legislative amendments to the Political Reform Act of 1974, shall apply to all of the provisions of this act.

~~SEC. 5.~~

SEC. 6. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

~~SEC. 6.~~

SEC. 7. This chapter shall be deemed to amend the Political Reform Act of 1974 as amended and all of its provisions that do not conflict with this chapter shall apply to the provisions of this chapter.

~~SEC. 7.~~

SEC. 8. The provisions of this act are severable. If any provision of this act or its application is held invalid, that

- 1 invalidity shall not affect other provisions or applications that can
- 2 be given effect without the invalid provision or application.
- 3 ~~SEC. 8. This act shall take effect on January 1, 2007.~~

O